

Exhibit 1

The Administrators' co-operation with other Insolvent Lehman Affiliates

1 The LBHI/LBIE TSA

- 1.1** The LBHI/LBIE TSA was entered into between LBHI, Neuberger Holdings LLC, Lehman Brothers Europe Limited (in administration) ("LBEL"), LBIE, Lehman Brothers Holdings Plc (in administration) ("LBH Plc"), LBL and the Administrators on November 21, 2008 (LBEL, LBIE, LBH Plc and LBL together, the "**LBHI/LBIE UK Parties**"). The LBHI/LBIE TSA provides a mechanism by which LBHI maintains access to critical employees, services, facilities and other assistance from the LBHI/LBIE UK Parties; and the same benefits flow reciprocally from LBHI to the LBHI/LBIE TSA UK Parties. In particular, the parties agreed that, pursuant to the LBHI/LBIE TSA:
- 1.1.1** the LBHI/LBIE TSA UK Parties shall provide or cause to be provided to LBHI (and various LBHI affiliates) certain employees, services, use of facilities and other assistance on a transitional basis in accordance with the terms and subject to the conditions set forth in the LBHI/LBIE TSA; and
 - 1.1.2** LBHI shall provide, or cause to be provided, to the LBHI/LBIE TSA UK Parties (and various affiliates of the LBHI/LBIE TSA UK Parties) certain employees, services, use of facilities and other assistance on a transitional basis in accordance with the terms and subject to the conditions set forth in the LBHI/LBIE TSA.

2 Secondment letter dated April 3, 2009 between LBIE and LBHI (the "Secondment Letter**")**

- 2.1** Letter agreed to assist LBHI in relation to the unwinding of LBHI's (and certain of its US affiliates') fixed income book (the "**LBHI Unwind Services**"). LBIE holds a Financial Services Authority ("**FSA**") licence and is therefore authorised to provide services that are otherwise regulated activities. Neither LBHI nor any of its affiliates currently have an FSA licence. The Secondment Letter allows for the secondment of traders employed by LBHI to LBIE so LBIE can provide the LBHI Unwind Services. It is anticipated this arrangement will last for up to four months.

3 Assistance provided by LBIE to LBHI in connection with the transfer of the nominal share held by LBIE in LBT Varlik Yonetim S.A ("LB Turkey**")**

- 3.1** In January 2009, Alvarez & Marsal requested LBIE's cooperation to perfect a purported transfer of a nominal share held by LBIE in LB Turkey. The Administrators agreed to take certain steps to perfect the share transfer, including instructing an attorney to attend and vote on behalf of LBIE at a LB Turkey shareholders' meeting. The Administrators understood from LBHI that the perfection of the share transfer was necessary in order to allow a realisation to be made from the sale of LB Turkey.

- 4 Claims agreement dated January 27, 2009 between LBIE and the Lehman Brothers Inc ("LBI") SIPA Trustee (the "**LBI/LBIE Claims Agreement**")
 - 4.1 Agreement entered into regarding the filing of priority claims of LBIE and its clients against LBI. The LBI/LBIE Claims Agreement contemplates cooperation to reconcile claims and an attempt to reach agreement on issues such as the timing of delivery and the basis on which information and data are to be provided to the LBI SIPA Trustee. Interaction between the parties is continuing and the Administrators' staff continue to engage directly where practically and legally possible with the LBI SIPA Trustee.
- 5 Cooperation with Lehman Brothers Japan Inc ("LBJ") in respect of the reconciliation and return of client and house assets and the reconciliation and valuation of intercompany claims
 - 5.1 The Administrators are in on-going discussions with the representatives of LBJ in connection with agreeing a process and timeline for the reconciliation, verification and the eventual return of client assets. The parties are also discussing intercompany claims, and the methodology to be used for reconciliation and valuation of these claims as well as the return of house assets. The parties are also working towards reaching a substantially reconciled position of all intercompany claims prior to May 15, 2009 (the deadline for LBJ to file its rehabilitation plan to the Japanese courts).
- 6 Cooperation with KPMG China, the liquidators of the Lehman Group companies incorporated in Hong Kong ("LB Hong Kong") in respect of the reconciliation and return of client and house assets and the reconciliation and valuation of intercompany claims
 - 6.1 The Administrators are working closely with KPMG China to understand and, where possible, accommodate their requirements in respect of the return of client and house assets and the reconciliation of intercompany balances. There have been regular discussions between the parties in this regard including a recent invitation to KPMG China to London to further the reconciliation process. The prospect of a bilateral agreement for the resolution of intercompany claims has also been discussed and on May 8, 2009, an Intercompany Balance MoU (as defined at point 12 below) was sent to KPMG China for further discussion.
- 7 Cooperation with Lehman Brothers Bankhaus AG ("LBB") and the establishment of a client funds working part
 - 7.1 On March 16, 2009 an agreement was reached with the administrator of LBB regarding information sharing which involved establishing a working group to explore and establish facts regarding LBIE's claim in LBB's administration. Thereafter the parties continue to work towards agreeing and implementing an information sharing cooperation process. On May 1, 2009 this resulted in the production by LBB's administrator of a draft form of transition services agreement

which broadly governs the basis on which information can be shared with LBB in order for the LBB estate to be unwound.

8 Provision of copy loan documentation by LBIE at the request of LBB

- 8.1** On September 23, 2008, LBB's UK legal advisers contacted us to request documentation held by LBIE in respect of loans pursuant to which LBB was the lender of record (the "**LBB Loan Documentation**"). We were told that LBB needed to conduct an urgent evaluation and examination of all documentation relating to its assets and liabilities, including the LBB Loan Documentation. We entered into a dialogue and on October 2, 2008 an agreement was reached for the Administrators to provide LBB with certain copies of the LBB Loan Documentation.

9 Membership of creditors' committees

- 9.1** Where it is appropriate and in support of the functioning and effectiveness of a creditors' committee, LBIE is represented in its capacity as a creditor on the creditors' committees of Lehman Brothers Commercial Corporation Asia Limited and LB Capital Limited. On May 1, 2009 a nomination was submitted to the liquidator of Lehman Brothers Finance AG ("**LBF**") to nominate representatives for both LBIE and LBL to be on the proposed creditors' committee for that entity. LBHI is on the LBIE creditors' committee.

10 Lehman Brothers Treasury Co. B.V. ("LBTC**")**

- 10.1** The Administrators have been in discussions with the bankruptcy trustee of the Dutch entity LBTC (the "**LBTC Trustee**"). The LBTC Trustee has advised that in order to fulfil his duties he needs certain information from LBIE relating to LBTC's business. This led to the production of a draft form of letter agreement which would provide the basis for the release of information. Negotiations and discussions are ongoing regarding the terms of this draft agreement.

11 Lehman Brothers Finance AG ("LBF**")**

- 11.1** The Administrators have been in discussions with the liquidators of the LBF in connection with providing assistance which will enable the liquidators to comply with their statutory duties. This includes the provision of certain information to LBF. These discussions are on-going and on April 16, 2009 a meeting was held at LBIE's offices in London to discuss arrangements for the delivery of specific data to assist LBF with the process of its insolvency. On April 29, 2009 a meeting was held with the Swiss regulator (FINMA) where this issue was also discussed.

12 Lehman Brothers (Luxembourg) S.A. and Lehman Brothers (Equity Finance) Luxembourg S.A. (together the "Luxcos**")**

- 12.1** The Administrators have been in discussions with the liquidators of the Luxcos in connection with the provision of certain information and assistance. Correspondence has been exchanged between the parties and on April 16, 2009 a

meeting was held in London with a view to agreeing the basis on which such assistance can be provided. These discussions are on-going.

13 Development of a generic memorandum of understanding for the agreement of intercompany balances (the “Intercompany Balance MoU**”)**

- 13.1** The Insolvent Lehman Affiliates are likely to be substantial creditors or debtors of each other and consequently the process of agreeing intercompany balances between Insolvent Lehman Affiliates will have a significant impact upon the eventual plans for the liquidation of the Insolvent Lehman Affiliates. The Administrators have prepared a draft Intercompany Balance MoU which is a detailed methodology for agreeing intercompany balances, reflecting an intimate knowledge of the Lehman Group accounting systems, for dealing with the reconciliation of intercompany claims made against the estates for which they are responsible. Each Insolvent Lehman Affiliate will have a procedure for agreeing and adjudicating upon claims pursuant to its local law. Whilst it may not be possible to achieve total uniformity in relation to this process, it is the Administrators’ intention to use their own intercompany balance methodology as the basis for discussion with all other Insolvent Lehman Affiliates against which they are registering unsecured claims in order to explore whether a consistent approach can be adopted across all relevant estates.
- 13.2** On April 27, 2009 the Administrators presented to LBF a draft Intercompany Balance MoU specific to the facts and circumstances of the intercompany balances between LBIE and LBF. In addition, on May 8, 2009 the Administrators also sent a draft Intercompany Balance MoU to KPMG China in respect of LB Hong Kong. The Administrators also intend to discuss the prospect of an Intercompany Balance MoU in the near future with other major Insolvent Lehman Affiliates.